

UNITED STATES DISTRICT COURT

DISTRICT OF MASSACHUSETTS

CANDY M. SOUSA, On Behalf of Herself and) No. 04-30022-MAP
All Others Similarly Situated,)

Plaintiff,)

vs.)

WAVE SYSTEMS CORPORATION, et al.,)

Defendants.)

YOSEF STREICHER, On Behalf of Himself) No. 04-30026-KPN
and All Others Similarly Situated,)

Plaintiff,)

vs.)

WAVE SYSTEMS CORPORATION, et al.,)

Defendants.)

CLASS ACTION

CLASS ACTION

[Caption continued on following page.]

JOINT DECLARATION OF STEVE ALVAREZ AND RON ROGERS IN SUPPORT OF
THEIR MOTION FOR APPOINTMENT AS LEAD PLAINTIFF, APPROVAL OF
SELECTION OF LEAD COUNSEL AND FOR CONSOLIDATION OF RELATED ACTIONS

RAFAT DAWOD, Individually and On Behalf of All Others Similarly Situated,) Civil Action No. 04-30029-KPN
)
) CLASS ACTION

Plaintiff,)

vs.)

WAVE SYSTEMS CORPORATION, et al.,)

Defendants.)

ALVIN CHESS, Individually and On Behalf of All Others Similarly Situated,) Civil Action No. 04-30037-MAP
)
) CLASS ACTION

Plaintiff,)

vs.)

WAVE SYSTEMS CORPORATION, et al.,)

Defendants.)

MICHAEL D. VICKER, On Behalf of Himself and All Others Similarly Situated,) Civil Action No. 04-30040-MAP
)
) CLASS ACTION

Plaintiff,)

vs.)

WAVE SYSTEMS CORPORATION, et al.,)

Defendants.)

[Caption continued on following page.]

H. MARTIN BOHMAN, On Behalf of Himself)
and All Others Similarly Situated,

Plaintiff,

vs.

WAVE SYSTEMS CORPORATION, et al.,

Defendants.

Civil Action No. 04-30041-MAP

CLASS ACTION

JIMMY SUO, On Behalf of Himself and All
Others Similarly Situated,

Plaintiff,

vs.

WAVE SYSTEMS CORPORATION, et al.,

Defendants.

Civil Action No. 04-30042-MAP

CLASS ACTION

JACK SCHULMAN, Individually and On
Behalf of All Others Similarly Situated,

Plaintiff,

vs.

WAVE SYSTEMS CORPORATION, et al.,

Defendants.

Civil Action No. 04-30043-MAP

CLASS ACTION

Steve Alvarez and Ron Rogers, declare:

1. I, Steve Alvarez, have substantial experience as an investor in the financial markets and have invested for years. I am semi-retired and have ample time to devote to the prosecution of this case. During the Class Period I purchased Wave Systems stock.

2. I, Ron Rogers, am an experienced investor, having invested for years in the financial markets. I am semi-retired and have ample time to devote to the prosecution of this case. During the Class Period I purchased Wave Systems stock.

3. Together, we make this Joint Declaration in support of our joint Motion for Appointment as Lead Plaintiff, Approval of Selection of Lead Counsel and for Consolidation of Related Actions. Except as otherwise stated, we have personal knowledge of the facts stated in this Joint Declaration and, if called as witnesses, could and would testify to them.

4. We joined together for the purpose of representing all class members in this action, which is brought on behalf of all persons who purchased or otherwise acquired publicly traded securities of Wave Systems during the Class Period. We have chosen to work together to advance and protect the interests of all class members. Since filing our motion we have learned that several small law firms (and their clients) have also sought to be appointed in place of us and our counsel. Given the size and complexity of this case, we respectfully submit that placing this case in the hands of a small law firm would not be appropriate.

5. We have conferred together to discuss the status and progress of this case. We have organized ourselves in a manner designed to provide effective and efficient leadership to obtain the largest possible recovery for the members of the Class. In doing so we have examined the respective defendants' financial positions including their prior sales of securities. We have implemented procedures to provide for efficient prosecution of the action, which procedures include a regular

meeting schedule to discuss the action and evaluate it as it progresses and a mechanism to arrange for "emergency" meetings. We intend to continue conferring with each other as part of our collective effort to direct the prosecution of this action by our counsel.

6. We are mindful of the current financial position of Wave Systems, including the recent auditor's report which included a "going concern" opinion. Accordingly, we have directed our counsel to use all necessary and proper means to expedite this litigation. We believe this is important to the Class as doing otherwise may diminish the number of possible sources of recovery should the auditor's opinion prove to be correct.

7. We understand that we could have made separate lead plaintiff motions or made no motion at all and remained absent class members. We believe that our group is small enough to work together effectively for the benefit of all class members. In fact, we are doing just that. We will confer regularly and are not dependent on our counsel for establishing meetings, times or locations. Again, the precarious financial position of the Company necessitates active leadership with the assistance of a large and capable firm to guide our directives and prosecute this case. We believe that the appointment of our group as lead plaintiff will best represent and protect the interests of all class members.

8. We endeavor to provide fair and adequate representation and work closely to direct the efforts of counsel to obtain the largest recovery for the Class consistent with good faith and meritorious judgment. We also understand that we had the right to select counsel as part of the lead plaintiff process and made a considered judgment in selecting Milberg Weiss Bershad Hynes & Lerach LLP ("Milberg Weiss") to represent our interests. We selected counsel based, in part, upon the fact that Milberg Weiss is the premier securities class action litigation firm in the world. We

FROM :

PHONE NO. : 1 705 587 1382

Apr. 14 2004 05:54AM P1

FROM : Panasonic FAX SYSTEM

PHONE NO. :

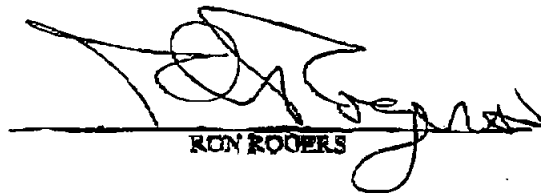
Apr. 14 2004 03:52PM FZ

continue to believe that our decision to retain our selected counsel, with their considerable experience and resources, was best for the Class.

9. We have conferred with counsel concerning a reduced-fee arrangement designed to benefit the Class and have obtained counsel's agreement to accept a fee structure that, while incentivizing counsel to obtain as large a recovery as possible, is substantially below the fees typically awarded in securities class action cases.

We declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: April __, 2004.



RON ROGERS

Dated: April 24, 2004



STEVE ALVAREZ

TX000001Wave Systems\DEC00058631.doc